

BUDGETING

30 June 1965

In preparation for the FY 1967 budgets and submission of long-range plans - 5 year-- DCI said it was essential to absorb costs of new and augmented programs by discontinuing low priority and marginally productive programs, as well as economy of operations.

CIA faced with constantly increasing demands for its intelligence services while pressured to hold the line on expenditures. *(Collection against S & T targets in Comm. China need to be accelerated)*
This dilemma more acute due to need to develop and operate expensive technical intelligence systems in order to keep pace with modern intel targets, methods and tradecraft. *(per DCI) (per USIB) but not enough analysts to handle more urgent - Also lack of adequate qualified Engineers in R & D field.*